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MICHIGAN LABOR MARKET REVIEW

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JOB SERVICE

Michigan Employment Security Commission

JOBLESS RATE PLUNGES BY ONE PERCENT

The statewide unemployment rate dropped by one full percentage point as the jobless rate declined from 7.8 percent in January to 6.8 percent in February. The rate decrease represents 46,000 fewer individuals out of work, as total state residents seeking employment fell to 312,000. The decline in joblessness was primarily a result of seasonal employment increases as state and local school employees returned to work following the holiday period. Total employment in February registered a gain as the number of employed residents jumped by 70,000 to reach 4,300,000. Additionally, the civilian labor force advanced to 4,612,000, a growth of 23,000. Compared with a year ago, employment in Michigan has jumped by 217,000, while the size of the labor force has grown by 130,000. In February 1988, the total number of persons out of work amounted to 399,000, representing an unemployment rate of 8.9 percent.

EMPLOYMENT OPPORTUNITIES GROW MARGINALLY

Total nonagricultural wage and salary employment in Michigan increased slightly as industry jobs inched upward to 3,811,000 in February. Employment opportunities inched upward by approximately 3,000 as service producing gains barely offset goods producing losses. Total employment in the goods producing industries dropped by 9,000 primarily as a result of construction and automotive cutbacks. Service producing employment climbed by 12,000 to 2,735,000 in February, as educational facilities recalled school employees. Public sector positions increased by 18,000 as a result. Since February 1988, industry employment in Michigan has increased by 97,000 positions or 2.6 percent. Approximately 22,000 goods producing jobs have been added throughout the year, while service producing employment advanced by 75,000.

Civilian Labor Force, Employment, and Unemployment Estimates

State of Michigan

ITEM	FEB 1989	JAN 1989	DEC 1988	FEB 1988
PLACE OF RESIDENCE				
Civilian Labor Force	4612	4589	4638	4482
Employment	4300	4230	4310	4083
Unemployment	312	358	329	399
Rate	6.8	7.8	7.1	8.9
PLACE OF WORK				
Wage and Salary Employment	3811	3808	3890	3714
Goods Producing Industries	1076	1085	1108	1054
Construction and Mining	129	134	146	117
Mining	10	10	10	10
Construction	118	124	135	108
Special trade Contractors	80	83	89	71
Other Construction	39	41	47	37
Manufacturing	947	951	962	937
Durable Goods	727	728	736	717
Lumber and Wood Products	15	15	15	15
Furniture and Fixtures	34	34	34	33
Stone, Clay and Glass Products	19	19	19	17
Metals	167	167	167	164
Primary Metals	47	48	48	47
Fabricated Metals	120	120	120	117
Nonelectrical Machinery	124	122	122	119
Electrical Machinery	35	35	34	36
Transportation Equipment	310	312	319	312
Motor Vehicles and Equipment	292	295	301	293
Other Transportation Equipment	18	18	18	19
Other Durable Goods	23	23	24	23
Nondurable Goods	221	223	226	219
Food and Kindred Products	41	42	43	43
Textiles and Apparel	21	21	23	22
Paper and Allied Products	21	21	21	21
Printing and Publishing	43	44	44	41
Chemicals and Petroleum	44	44	44	43
Other Nondurable Goods	51	51	51	49
Rubber and Plastic Prod	49	49	49	47
Leather Products	3	3	3	2
Service Producing Industries	2735	2723	2782	2660
Trans., Comm. and Utilities	150	152	156	150
Transportation and Utilities	117	118	122	115
Communications	33	33	35	35
Wholesale Trade	191	192	193	185
Durable Goods	123	124	124	119
Nondurable Goods	69	68	69	66
Retail Trade	692	701	734	669
General Merchandise Stores	101	107	116	100
Food Stores	106	106	107	97
Automotive Dealers and Services	77	78	78	76
Eating and Drinking Places	229	227	237	224
Other Retail Trade	179	183	195	172
Finance, Insurance and Real Estate	185	186	186	183
Finance	95	95	96	93
Insurance and Real Estate	90	91	91	91
Services	862	857	865	835
Business Services	187	188	191	182
Health Services	281	281	280	276
Other Services	394	388	394	377
Government	654	636	647	638
Federal	60	61	62	60
State	172	166	167	165
Local	422	409	419	413

CIVILIAN LABOR FORCE data are based on the monthly Current Population Survey of the U.S. Bureau of Labor Statistics - 1988 Benchmark.
WAGE AND SALARY EMPLOYMENT is based on a monthly sample of employing establishments as part of the cooperative federal-state Current Employment Statistics program - March 1988 Benchmark.

CLAIMS ACTIVITY

The number of individuals collecting regular unemployment benefits increased for the fourth consecutive month in February. The regular benefits claims load averaged 142,619 per week during the month, approximately 4,996 more than the January total. The four percent increase was primarily due to continued holiday layoffs. In February 1988, the number of claimants drawing benefits under the regular benefit program averaged 181,258.

WEEKLY CLAIMS FOR UNEMPLOYMENT INSURANCE

Week Ending	Michigan			Detroit		
	Total	Initial	Continued	Total	Initial	Continued
February 04, 1989	160,100	16,100	144,000	69,700	7,500	62,200
February 11, 1989	160,200	18,200	142,000	71,200	8,700	62,500
February 18, 1989	155,000	14,800	140,200	69,600	6,700	62,900
February 25, 1989	153,900	12,600	141,300	67,000	5,500	61,500

CONSUMER PRICES RISE IN DETROIT

Consumer prices in the Detroit metropolitan area increased from 118.3 in December to 120.1 in February. The increase in Detroit area prices was primarily due to higher costs for housing and food. Prices in the area climbed by 5.6 percent since February 1988, when the consumer price index stood at 113.7. At the national level, the cost of living advanced by four-tenths of a percent to reach 121.6 during the month.

The higher national prices were due to additional costs for medical care and food. Between February 1988 and February 1989, national consumer prices increased by 4.8 percent. One year ago, the national index registered 116.0. Note: Beginning in January 1987, the Consumer Price Indexes were shifted to a new reference base year. All indexes expressed on a 1967=100, were rebased to 1982-1984=100.

HOURS AND EARNINGS

The average workweek of Michigan workers in manufacturing industries remained stable at 43.9 hours in February. Minor gains and losses scattered throughout the sector caused the average workweek to hold steady.

During the month average hourly earnings dropped by four cents to $13.59, while average weekly earnings decreased by $1.76 to total $596.60. In February 1988, earnings averaged $13.34 an hour or $562.95 per week for a 42.2 hour workweek.

MICHIGAN'S HOURS AND EARNINGS

Industry	Average Weekly Earnings a/			Average Weekly Hours a/			Average Hourly Earnings a/		
	Feb 1989	Jan 1989	Feb 1988	Feb 1989	Jan 1989	Feb 1988	Feb 1989	Jan 1989	Feb 1988
TOTAL MANUFACTURING	$596.60	$598.36	$562.95	43.9	43.9	42.2	$13.59	$13.63	$13.34
DURABLE GOODS	631.81	634.48	593.30	44.4	44.4	42.5	14.23	14.29	13.96
Primary Metal Products	627.89	627.00	587.73	44.5	44.5	42.9	14.11	14.09	13.70
Fabricated Metal Products	596.75	612.72	545.79	43.4	44.4	41.6	13.75	13.80	13.12
Nonelectrical Machinery	617.86	630.17	584.27	45.7	46.2	43.7	13.52	13.64	13.37
Electrical Machinery	511.87	523.73	485.48	43.9	43.9	40.9	11.66	11.93	11.87
Motor Vehicles & Equip.	753.22	740.25	703.27	45.9	45.0	43.6	16.41	16.45	16.13
NONDURABLE GOODS	471.66	472.22	456.74	42.0	42.2	41.0	11.23	11.19	11.14
Contract Construction	595.03	618.62	568.03	37.4	38.4	36.6	15.91	16.11	15.52
Department Stores	169.98	171.53	160.06	25.6	25.3	26.5	6.64	6.78	6.04

a/ Average weekly and hourly earnings are computed from aggregates of individual establishment reports utilizing the total amount paid to production workers and total production hours. Average weekly and hourly earnings differ from weekly and hourly rates in that they are affected by overtime wage rates, part-time earnings, the length of the workweek, etc.

Note: *Current month data are preliminary.*

CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT ESTIMATES
FEBRUARY 1989 (Preliminary)

Area	Civilian Labor Force	Total Employment	Total Unemployment	Unemployment Rate
United States	121,906,000	115,023,000	6,883,000	5.6
Michigan	4,612,000	4,300,000	312,000	6.8
Ann Arbor MSA	166,900	161,200	5,700	3.4
Battle Creek MSA	65,300	61,300	4,000	6.2
Benton Harbor MSA	79,400	73,900	5,500	6.9
Detroit MSA	2,213,000	2,070,000	142,000	6.4
Flint MSA	187,600	169,100	18,500	9.9
Grand Rapids MSA	366,100	348,700	17,400	4.8
Jackson MSA	66,700	62,400	4,300	6.4
Kalamazoo MSA	120,700	115,300	5,400	4.5
Lansing MSA	247,200	233,700	13,400	5.4
Muskegon MSA	67,200	61,500	5,600	8.4
Saginaw-Bay-Midland MSA	184,600	171,600	13,000	7.0
Upper Peninsula LMA	134,700	121,300	13,500	10.0
Major Counties (15,000+)				
Allegan	54,975	52,025	2,925	5.3
Barry	22,325	20,875	1,450	6.5
Bay	53,675	49,150	4,550	8.5
Branch	18,475	17,175	1,300	7.0
Cass	23,225	21,900	1,350	5.8
Clinton	30,825	29,050	1,775	5.8
Delta	16,275	14,650	1,625	10.0
Eaton	53,400	50,750	2,625	4.9
Grand Traverse	35,425	32,475	2,975	8.4
Gratiot	18,625	17,000	1,625	8.7
Hillsdale	20,000	18,625	1,375	6.9
Huron	16,425	14,650	1,775	10.8
Ingham	162,950	153,925	9,025	5.5
Ionia	19,425	17,675	1,750	9.0
Isabella	31,300	29,650	1,650	5.3
Kent	268,725	255,900	12,825	4.8
Lapeer	34,225	31,050	3,175	9.3
Lenawee	43,100	40,425	2,675	6.2
Livingston	54,925	51,925	3,025	5.5
Macomb	384,150	361,400	22,750	5.9
Marquette	29,700	27,625	2,100	7.0
Mecosta	16,625	15,275	1,350	8.1
Midland	35,550	33,250	2,300	6.5
Monroe	64,450	60,450	4,025	6.2
Montcalm	24,350	22,300	2,050	8.4
Newaygo	17,450	15,825	1,650	9.4
Oakland	592,050	561,250	30,800	5.2
Ottawa	97,375	92,800	4,575	4.7
Saginaw	95,400	89,225	6,175	6.5
St. Clair	68,375	61,750	6,625	9.7
St. Joseph	27,150	25,425	1,725	6.3
Sanilac	20,350	18,150	2,200	10.8
Shiawassee	33,650	30,725	2,925	8.7
Tuscola	23,900	21,525	2,375	9.9
Van Buren	32,275	29,100	3,200	9.9
Wayne	1,014,475	942,625	71,825	7.1

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